



Louisiana Housing Finance Agency

**Full Board Meeting Minutes
Board of Commissioners
Louisiana Housing Finance Agency**

**Wednesday, September 8,, 2010
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 p.m.**

Commissioners Present

Allison A. Jones
Michael L. Airhart
Guy T. Williams
Mayson H. Foster
Donald B. Vallee
Elsenia Young
Katie Anderson
J. Mark Madderra
Tyrone A. Wilson
Jerome Boykin, Sr.
John N. Kennedy
Joseph M. Scontrino, III
Adena R. Boris

Commissioners Absent

Neal P. Miller
Walter O. Guillory

Legal Counsel Present

Wayne Neveu, Foley & Judell
Terri Poche Ricks
Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan
Jessica Guinn

Staff Present

Barry E. Brooks
Milton Bailey
Alesia Wilkins-Braxton
Charlette Minor
Loretta Wallace
Brenda Evans
Rebekah Ward
Annie Clark
Roger Tijerino
Wendy Hall
Alex Stewart
Rene Landry
Mary Antoon
Collette Mathis
Jeff DeGraff
Eddie Falgoust
Amy York
Joe Durnin
Marjorianna Willman

Others Present

See Sign-In Sheet

CALL TO ORDER

Chairwoman Jones called the meeting to order at 12:00pm; Board Coordinator Barry Brooks did the roll call; BC Brooks advised Chair Jones that a quorum was established. There was thereafter an introduction of guests.

APPROVAL OF MINUTES

On a motion by Commissioner Donald B. Valle and seconded by Commissioner Tyrone Wilson, the minutes of the Full Board Meeting held August 11, 2010, were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

Chair Jones noted the previous monthly record short meeting, and applauded then Interim Chair Guy T. Williams for orchestrating such a exemplary BOCM.

Chair Jones advised everyone that Suzanne Sonnier was no longer working at DSS aka DCFS and welcome new Board Commissioner Adena R. Boris. Thereafter Ms. Boris was sworn in. She briefly introduced herself noting that she looked forward to working with the BOC and LHFA.

Next item discussed was the resolution requested by Chair Jones to add the Asset Management Committee. She noted that Article 6 of the Bylaws allows for Committees. Additionally that in October she would be revising the Committee assignments and wanted to add the AMC thereupon.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Michael L. Airhart, the resolution authorizing the creation of a Standing Committee of the Louisiana Housing Finance Agency's (the "Agency") Board of Commissioners (the "Board"), which shall be called the "Asset Management Committee", which shall have primary oversight over Agency-owned real property, Agency-owned buildings and shall advise the Board relative to the Agency's general fund investment policy and portfolio; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Chair Jones also reminded everyone of the upcoming October 12th Strategic Planning Conference, and thereafter the 2010 BOC Retreat on November 16-17.

Chair Jones noted special guest New Orleans Councilwoman Stacy Head.

Councilwoman Head addressed the BOC. Among the items she discussed included the fact that her District B had receive more LHFA developments than the other districts combined; she requested more investment in high quality market demanded developments; sway away from scattered sites; there are many poorly maintained vacant LHFA funded developments; more support for home ownership opportunities and less for scattered sites; more mixed income developments and less permanent supportive housing; more rehab of existing structures; review developers past history and current vacancy statistics; look at landscaping issues within developments; no new construction wherein there are no occupants or other means of economic development; thanked everyone for their support; reiterated the need to concentrate on home ownership aspects.

Commissioner Donald Vallee noted that Councilwoman Head was his council representative, and requested she note aspects of housing outside of her district.

Councilwoman Head noted that with the influx of federal dollars the city is fairly better off than most national metropolitan cities; urban blight is still a major problem; and that 85% of most neighborhoods are doing well.

Commissioner Guy T. Williams requested she lobby for CBDG funds from the Governor's Office for mixed-income mixed-use purposes; noted the QAP was amended to assist any type of redevelopment; and that landscaping issues would be addressed later.

Commissioner John Kennedy inquired on the housing needs assessment report. Councilwoman Head noted that if a lot of the blighted houses were rehabbed and bought to market standard the houses would be fully utilized; some challenges with first time homeownership credit issues; supports place space initiatives – i.e., areas around Yale University are fully supportive of the staff from janitors to the administrators; needs incentives for stronger quality neighborhoods where residents feel a true investment. Commissioner Kennedy noted that he was aware that New Orleans Mayor Mitch Landrieu and others supported single dwelling initiatives.

Councilwoman Head furthered noting that she feels rehab should get more funding before new constructions; she support the Old Cold Creamery upcoming development and she will be sending in a letter of support; she noted that many developers had walked away after building low rentals in many neighborhoods and therefore she was advocating for more scrutiny of developers.

Commissioner Kennedy requested a list and/or photos of projects that are LHFA funded and are in dilapidated condition.

Commissioner Vallee noted that costs of rehab are oftentimes more than costly than new construction. Councilwoman Head noted that rehabs are more green friendlier and often result in a higher quality product.

Commissioner J. Mark Madderra thanked her for her support to New Orleans housing; noted several medias post-Katrina had applauded many of the housing developments, but did note the many blighted properties; he noted that his concern was spreading too thinly the funds and suggested some guidance from the City of New Orleans was needed.

Councilwoman Head noted that the CONO had not provided a comprehensive housing policy to the various entities as a blueprint of future housing goals; that they were having trouble getting multi-owner properties thru the process; and that she would work on better communication with LHFA.

Chair Jones reminded everyone of the upcoming October 12th Strategic Planning Conference and that it would be a great change to comments. She requested that the verbatim transcript of Councilwoman Head's testimony be distributed to the BOC when available.

Commissioner Kennedy inquired to Councilwoman Head how she would spend \$50M. She noted she'd spend \$20M to homeowners subsidies and incentives, first time homeowners, and to place space initiatives, including 80/20 AMI incentives. She spend the remaining \$30M to projects that re high quality community projects and rehab.

Chair Jones thanked Councilwoman Head for her comments and strongly suggested she participate in the October 12th SPC. Councilwoman noted such, and also that she'd do a better job of articulating the housing needs in New Orleans to the LHFA.

PRESIDENT'S REPORT

President Milton J. Bailey thanked Councilwoman Head for attending the BOCM. He reiterated that the October 12th SPC was an opportunity for the agency to receive input from developers, advocates, and others, to assist the BOC during their November Retreat.

ENERGY ASSISTANCE COMMITTEE

EAC Chair Katie Anderson noted that the EAC had met earlier, and that the Energy Programs Activity reports were in the Board binders, and that there were no action items.

On a motion by Commissioner Katie Anderson and seconded by Commissioner Joseph M. Scontrino, III, the resolution to approve and accept the Louisiana 2011 Low Income Home Energy Assistance Program (LIHEAP) State Plan (labeled as "Exhibit A" entitled "Low Income Home Energy Assistance Program (LIHEAP) Abbreviated Model Plan Fiscal Year 2011"); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

SINGLE FAMILY COMMITTEE

SFC Chair Michael L. Airhart noted that the 2010A Program and Whole Loan Report was in the binders.

SFCC Airhart noted that the scorings for the Trustee were to be turned in to Staff Attorney Keith Cunningham no later than Friday September 10th, and that they would be a review of 4 of the 7 firms who submitted proposals on September 22nd.

He next discussed the changed to the NIBP Program, advising that the Finance Team was concurrently on teleconference discussion he matter.

Commissioner Kennedy inquired on the loan delinquency rate. Program Administrator Brenda Evans noted the rate was 15.4% -- broken down by Standard Mortgage. Commissioner Kennedy inquired was the info available from US Bank, and if there was a staff member who could run the delinquency rate info. Ms. Evans noted that the process is done by the Master Servicer.

Commissioner Kennedy requested that a directive be issued to US Bank to begin providing the loan delinquency rate info

SFCC Airhart issued a directive to staff to send to US Bank via certified letter that they were to begin sending the loan delinquency rate info monthly to the Agency Vice President. Commissioner Kennedy requested the info likewise be sent to the BOC monthly.

There were some discussions from Glenn Well and Richard Wolcott of Standard Mortgages.

Commissioner Mark Madderra inquired as to what affects the delinquency rates the most. Mr. Well and Wolcott noted that credit scorings are a main criteria, noting that many get homes but that it is past occupancy factors that cause delinquencies, and that there was a need for more counseling and loss mitigation.

SPECIAL PROGRAMS HOME COMMITTEE

In the absence of Commissioner Walter O. Guillory, the meeting was chaired Chairwoman Jones.

First item discussed was the resolution regarding the HOME NOF 2010-2011. Chair Jones went over the specifics of the matter, noting that the SPHC was recommending approval thereof.

On a motion by Commissioner Katie Anderson and seconded by Commissioner Joseph M. Scontrino, III, the resolution to authorize the Louisiana Housing Finance Agency (the "Agency") to implement and administer \$6,056,015.00 of HOME funds for the HOME Notice of Funding 2010-2011, of which \$2,430,598.00 will be for CHDO development projects, \$1,066,500.00 for permanent supportive housing, \$619,583.00 for tenant-based rental assistance, and \$1,939,334.00 for single family new construction; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item discussed was the resolution to deobligate HOME IPP funds. Chair Jones went over the specifics of the matter, noting that the SPHC was recommending approval thereof.

Program Administrator Charlette Minor noted that there had been notice from HUD that they would be enforcing their deobligation regulations and would be recapturing of funds, accordingly the LFHA was being proactive in regards thereof.

Commissioner Vallee noted he agreed with the proactive stance, but that he was not clear as to why prior actions had not been taken against stalled projects and/or unspent funds.

Ms. Minor gave a brief historical review of the matter; noting that agency has been very active working with projects to assist them in moving forward and getting monies spent.

Commissioner Vallee requested a written status report on the aforementioned matter.

President Bailey tried to clarify the matter noting that projects have up to five years to spend monies; HOME funds are usually the last funds that are drawn down on a project; and that HUD was now putting all on notice of possible recapturing of funds.

Commissioner Vallee reiterated his request for a comprehensive status report of all LHFA projects.

President Bailey noted that the BOC is promptly being fully notified of spent/unspent funds, in particular via the Pipeline Report, and that a more detailed report is readily available.

On a motion by Commissioner Jerome Boykin, Sr., and seconded by Commissioner Tyrone A. Wilson, the resolution to deobligate HOME Investment Partnership Program (HOME) funds from certain existing grantees who have had awards for one year or longer and have not requested a disbursement of program funds through the Integrated Disbursement and Information System (IDIS) that may become subject to cancellation, and authorize the issuance of a Notice of Funding Availability (NOFA) immediately for rural rental in order to obligate any of the deobligated funds; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Chair Jones noted that all NSP funds had been obligated, concluding the next item on the agenda.

Last item, the Unity Village matter, was discussed by Program Administrator Loretta Wallace. It was noted by both she and Chair Jones that LHFA needed more time to close on the matter.

Commissioner Donald Vallee sternly noted to everyone that this would be the last extension request that BOC would entertain from the developers, and that he was supportive of the current staff extension request.

On a motion by Commissioner Donald Vallee and seconded by Commissioner Joseph M. Scontrino, III, the resolution to grant a site change to Unity Village from 1222 East Maple Avenue, Eunice, Louisiana to nine scattered sites in Eunice, Louisiana, to grant the LHFA staff and outside counsel an extension of an additional thirty (30) days to close after the deadline of October 13, 2010 for Unity Village to have all items submitted to Louisiana Housing Finance Agency ("LHFA" or the "Agency") and outside counsel; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

MFC Chair Guy T. Williams noted that the Committee had met earlier and that the first item to be discussed was a resolution regarding the GO Zone Addendum. Ms. Evans went over the specifics of the matter. MFCC Williams noted that the MFRHC was recommending approval.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Donald B. Vallee, the resolution authorizing and approving the 2010 GO Zone Credits Addendum addressing two separate GO Zone reprocessing regimes; one for PHA/CDBG Projects with existing GO Zone Credits and another for all other projects requesting GO Zone Credits in a special competitive allocation; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Ms. Evans briefly went over the Difficult Development Area resolution matter. MFCC Williams noted that the MFRHC was recommending approval.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner J. Mark Madderra, the resolution authorizing and approving the requests for buildings to be treated as located in a Difficult Development Area (DDA) contingent upon the Feasibility & Viability Analysis and review of the market study; authorizing the Agency's staff and counsel to prepare the forms of such documents and agreements as may be necessary to approve such requests; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Ms. Evans noted that staff would present at the October BOCM the specific awards from the TCAP resolution. Commissioner Vallee requested any excess funds be given to the development community.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Donald B. Vallee, the resolution providing for an award of Tax Credit Assistance Program Funds ("TCAP Funds") to certain residential rental facilities that have received an allocation of LIHTC between October 1, 2006 and September 30, 2009; authorizing the Agency's staff, General Counsel, and Foley & Judell, L.L.P as the Agency's tax credit counsel, to prepare the forms of such documents and agreements as may be necessary to award TCAP Funds in accordance with HUD Notice CPD-09-03 – REV issued May 4, 2009 but revised July 27, 2009 (the "HUD TCAP Notice"); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Ms. Evans noted that next resolution was to clarify the brick/stucco requirements for matters involving the State Historic Preservation Office. MFCC Williams noted that the MFRHC was recommending approval.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Tyrone A. Wilson, the resolution clarifying the intent of the Board of Commissioners (the "Board") in relation to waivers of brick/stucco requirements for any project subject to or covered by the State Historic Preservation Office; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Last item discussed by Ms. Evans was the return of 2009 GO Zone Credits. MFCC Williams noted that the MFC was recommending approval.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Katie Anderson, the resolution authorizing CJ Peete I, LLC, a Louisiana limited liability company to voluntarily return in calendar year 2010 GO Zone Credits allocated in calendar year 2009 in connection with the redevelopment of the CJ Peete public housing development; authorizing the Agency's staff and counsel to prepare the forms of such documents and agreements as may be necessary to re-allocate such GO Zone Credits back to CJ Peete I, LLC in calendar year 2010; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

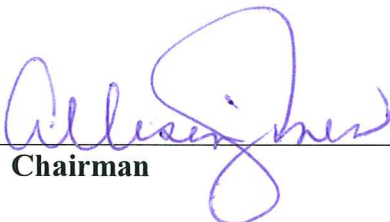
OTHER BUSINESS

Charles Tate inquired on a earlier MFC discussion dealing with public housing authorities. Chair Jones noted that the matter was already referred to the Asset Management Committee for handling.

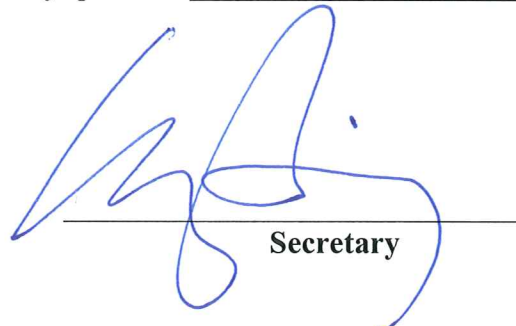
Charlotte Bourgeois of LAAHP reminded everyone of the upcoming LAAHP Annual Conference on October 14th and their Reception on October 13th at Juban's Restaurant.

ADJOURNMENT

There being no other matters to discuss, Commissioner Tyrone A. Wilson offered a motion for adjournment that was seconded by Commissioner Elsenia Young. There being no further discussion or opposition, the matter was unanimously passed. **The Full Board meeting adjourned at 1:30 PM.**



Chairman



Secretary